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Labour Force Status of Families methodology

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Introduction

Labour Force estimates of families are produced from data collected in the monthly Labour Force Survey (LFS). Since these products are all based on data collected in the LFS, the methodology of publication Labour Force, Australia (/methodologies/labour-force-australia-methodology/aug-2020) is relevant to this publication. Additional information is provided in Labour Statistics: Concepts, Sources and Methods (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6102.0.55.001) .

What is a family?

A family is defined as two related people who live in the same household. This includes all families such as couples with and without children, including same-sex couples, couples with dependants, single mothers or fathers with children, and siblings living together. At least one person in the family has to be 15 years or over. A household may contain more than one family.

More on how families are defined

Family composition

The primary relationships that define family units are couple relationships and parent-child relationships. From these, there are three main types of families: couple families, one parent families, and other families.

- Couple families are based around two people in a couple relationship who usually live together in the same household. Couples can be same-sex or opposite-sex, and their dependants or children may also be members of the couple family if they all reside in the same household.
- One parent families are based around a person who is not in a couple relationship with anyone who usually lives in the same household, but has at least one child who usually lives in the household regardless of the age of the child. These households can include other related individuals. While couple families can be made up of couples with or without children - one parent families necessarily include children.
- Other families are defined as a group of other related individuals residing in the same household. These individuals do not form a couple or parent-child relationship with any other person in the household and are not related to any couple or one-parent families that might also be in the same household.

In some cases, a household will contain more than one family. Multi-generational households or households with many family members may be split into smaller family units. For example, a single mother with a baby living with her parents forms two families in the one household. The parents are one couple family and the daughter and her baby form one lone parent family.

What is not a family?

People who live alone or who live in households with non-relatives, such as students sharing a flat (with no couple relationships), are not considered to be in a family. Family members who usually live across different households are also not included. These statistics are intended to reflect families who usually live together in the same household.

There are special cases for when a child under 15 years old is living with non-relatives. In these cases, the child is considered to be dependent, so they form a child dependency relationship with the oldest member of the household (the family head), thereby forming a

one parent family.

What is a dependant?

Families can be classed as having, or not having, dependants. There are two kinds of dependants:

- children under 15 years, and
- dependent students aged 15 to 24 years who are attending school or studying full-time at a tertiary education institution and living with their parents/guardians.

These children are considered to be financially dependent on the parent or parents that they usually live with, which is why they are referred to as 'dependants'. However, they have to be usually living in the same household; full-time students who have left home to study and live by themselves are not considered to be part of the family in that household, even if they remain financially dependent on their parents.

Children aged over 15 years who are not full-time students are not considered dependent on their parents, even if they still live at home. It is also possible to have one parent families without dependants, (such as, an 80 year old mother living with her 55 year old daughter).

It is important to consider whether children in a household are dependent on their parents when looking at these estimates, as the labour force characteristics will vary between families who have dependants and those that do not.

Scope

Family data was collected for people who were usual residents of private dwellings and whose family relationships could be derived. Children under 15 are included in scope, and their characteristics are used in the classification of parent-child relationships and family type.

People interviewed in the LFS who were classed as visitors to private dwellings, and those living in non-private dwellings (including hotels, motels, hospitals and other institutions) were excluded. People living in remote Aboriginal and Torres Strait Islander communities were also excluded. After these exclusions were applied, the estimates in this publication cover approximately 80% of the survey sample.

Benchmarking and estimation

The estimates are calculated in such a way as to sum to independent counts of people and

households (benchmarks). These benchmarks are updated based on Estimated Resident Population (ERP) data.

For all data published in this release, estimates have been compiled using benchmarks that have been rebased to the results of the 2016 Census. These benchmarks have been revised to include the ERP data as at June 2021. For more details on population benchmarks, see the Methodology of Labour Force, Australia (/methodologies/labour-force-australia-methodology/jun-2020) .

Survey output

A number of spreadsheets are available from the Data downloads section of this publication. They present tables of estimates and their corresponding relative standard errors (RSEs).

For users who wish to undertake more detailed analysis, the underlying microdata is available in ABS TableBuilder. For more details, refer to Microdata, Labour Force Status of Families, Australia (https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup /6224.0.00.001Main+Features12009,+2014+and+2019) . For more information see also About TableBuilder (https://www.abs.gov.au/websitedbs/D3310114.nsf /home/About+TableBuilder) .

Special tabulations are available on request. Subject to confidentiality and sampling variability constraints, tabulations can be produced from the survey incorporating data items, populations and geographic area selections to meet individual requirements. For more information, visit abs.gov.au/about/contact-us (https://www.abs.gov.au/about /contact-us) or contact the Labour Statistics Branch at labour.statistics@abs.gov.au (mailto:labour.statistics@abs.gov.au) .

Reliability of estimates

Since the estimates in this publication are based on information obtained from occupants of a sample of households, they are subject to sampling variability. That is, they may differ from those estimates that would have been produced if all households had been included in the survey or a different sample was selected.

Some of the estimates contained in the tables have a relative standard error (RSE) of 50 per cent or greater. These estimates are marked as unreliable for general use. Estimates with an RSE of between 25 and 50 per cent are also marked and should be used with caution.

The data in these tables are as reported by any responsible adult aged 15 years and over

who were usual residents of private dwellings and were selected in the LFS.

The data used to compile families statistics can be based on complicated family relationships and this adds complexity around interpreting the aggregated estimates.

More on reliability of estimates

Non-sampling error

Non-sampling error may occur in any collection, whether it is based on a sample or a full count such as a census. Sources of non-sampling error include non-response, errors in reporting by respondents or recording of answers by interviewers and errors in coding and processing data. Every effort is made to reduce non-sampling error by careful design and testing of questionnaires, training and supervision of interviewers, and extensive editing and quality control procedures at all stages of data processing

Sampling error

Sampling error is the difference between the published estimates, derived from a sample of persons, and the value that would have been produced if the total population (as defined by the scope of the survey) had been included in the survey. One measure of the sampling error is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of persons was included. There are about two chances in three (67%) that a sample estimate will differ by less than one SE from the number that would have been obtained if all households had been surveyed, and about 19 chances in 20 (95%) that the difference will be less than two SEs.

Another measure of the likely difference is the relative standard error (RSE), which is obtained by expressing the SE as a percentage of the estimate.

$$RSE\% = \left(\frac{SE}{estimate} \right) \times 100$$

RSEs for Labour Force Status of Families estimates have been calculated using the Jackknife method of variance estimation. This involves the calculation of 60 'replicate' estimates based on 60 different subsamples of the obtained sample. The variability of estimates obtained from these subsamples is used to estimate the sample variability surrounding the main estimate.

Only estimates (numbers or percentages) with RSEs less than 25% are considered sufficiently reliable for most analytical purposes. However, estimates with larger RSEs have been included. Estimates with an RSE in the range 25% to 50% should be used with caution while estimates with RSEs greater than 50% are considered too unreliable for general use.

The Excel spreadsheets in the Data downloads section contain all the tables produced for this release. All cells with RSEs greater than 25% contain a comment indicating the size of the RSE. These cells can be identified by a red indicator in the corner of the cell. The comment appears when the mouse pointer hovers over the cell. The value of the RSEs for every estimates in each of these tables are available separately in a series of shadow tables that are collected in a zip file for download.

Another measure is the Margin of Error (MOE), which shows the largest possible difference that could be between the estimate due to sampling error and what would have been produced had all persons been included in the survey with a given level of confidence. It is useful for understanding and comparing the accuracy of proportion estimates.

Where provided, MOEs for estimates are calculated at the 95% confidence level. At this level, there are 19 chances in 20 that the estimate will differ from the population value by less than the provided MOE. The 95% MOE is obtained by multiplying the SE by 1.96.

$$MOE = SE \times 1.96$$

Calculation of standard error

Standard errors can be calculated using the estimates (counts or percentages) and the corresponding RSEs. Since the RSE is obtained by expressing the standard error as a percentage of the estimate, recalculating the standard error is obtained by multiplying the estimate by the RSE.

Proportions and percentages

Proportions and percentages formed from the ratio of two estimates are also subject to sampling errors. The size of the error depends on the accuracy of both the numerator and the denominator. A formula to approximate the RSE of a proportion is given below. This formula is only valid when x is a subset of y:

$$RSE(\tfrac{x}{y}) \approx \sqrt{[RSE(x)]^2 - [RSE(y)]^2}$$

Differences

 The difference between two survey estimates (counts or percentages) can also be calculated from published estimates. Such an estimate is also subject to sampling error. The sampling error of the difference between two estimates depends on their SEs and the relationship (correlation) between them. An approximate SE of the difference between two estimates (x-y) may be calculated by the following formula:

$$SE(x - y) \approx \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

While this formula will only be exact for differences between separate and uncorrelated characteristics or sub populations, it provides a good approximation for the differences likely to be of interest in this publication.

Significance testing

A statistical significance test for a comparison between estimates can be performed to determine whether it is likely that there is a difference between the corresponding population characteristics. The SE of the difference between two corresponding estimates (x and y) can be calculated using the formula shown above in the Differences section. This SE is then used to calculate the following test statistic:

$$\left(\frac{x-y}{SE(x-y)} \right)$$

If the value of this test statistic is greater than 1.96 then there is evidence, with a 95% level of confidence, of a statistically significant difference in the two populations with respect to that characteristic. Otherwise, it cannot be stated with confidence that there is a real difference between the populations with respect to that characteristic.

Glossary

Since these products are all based on data collected in the LFS, the Glossary of publication Labour Force, Australia (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0) and information is provided in Labour Statistics: Concepts, Sources and Methods (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6102.0.55.001) , may be of assistance. Further information is also available in the ABS Family, Household and Income Unit Variables (https://www.abs.gov.au/ausstats/abs@.nsf/mf/1286.0) Standard.

The following glossary items relate specifically to family characteristics.

Show all

Child

A person of any age who is a natural, adopted, step, or foster son or daughter of a couple or lone parent, usually resident in the same household.

All children under 15 years who usually reside in a household must form a parent-child relationship with at least one other member of the household. In households where there is no reported parent or guardian, the child is classified as having a parent-child relationship with the next most appropriate adult. This can include parent-child relationships with other

relatives (such as aunts, uncles or grandparents) or with unrelated individuals (a nominal guardian).

In order to be classified as a child, the person can have no partner or child of his or her own usually resident in the household.

There are three types of child identified in the 'Relationship in household' classification:

- Child under 15 years
- Dependent student
- Non-dependent child

The differentiation of children into these three types is based upon the dependency criterion and is designed to identify families with different structures and needs. Dependency as used in these standards refers to economic dependency and is applied only to the population of people who could be described as 'children'. It is thus not intended to measure an aged or disabled person's dependency.

See Dependant, Dependent Student and Non-dependent Child.

Couple relationship

A couple relationship is defined as two people usually residing in the same household who share a social, economic and emotional bond usually associated with marriage and who consider their relationship to be a marriage or marriage-like union. This relationship is identified by the presence of a registered marriage or de facto marriage.

In practice, a de facto marriage exists between couples when their relationship to each other is reported as partner, lover, boyfriend, girlfriend, or as a common law (or de facto) husband, wife or spouse.

A 'couple relationship' includes same-sex couples.

Dependant

A dependant is a family member who is either:

- under 15 years of age;
- aged 15–19 years and attending school or aged 15–24 years and attending a tertiary education institution full time (i.e. dependent students).

In order to be classified as a dependant, the person must have no partner or child of his/her own usually resident in the household. A separate family in the household is formed in this instance.

Dependent student

A full time student aged 15-24 years, living in the same usual residence as his or her natural, step, foster or adoptive parent.

Family

Two or more persons, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering, and who are usually resident in the same household. The basis of a family is formed by identifying the presence of a couple relationship, lone parent-child relationship or other blood relationship. Some households will therefore contain more than one family.

Consider, for example, if two elderly brothers are living with the family of the daughter of one of the brothers. The daughter's family forms the basic family of the household and the two brothers are both allocated to this family unit as related individuals. The two brothers do not form a separate family in their own right in addition to the daughter's family, because they are related to a couple family or one-parent family already present in the household. However, if the two brothers were living in a dwelling with a family to whom they were not related, they would then form a family in their own right and be classified as an 'other family'.

See Other Families.

Family composition

The categories for family composition are:

- Couple family
  - Couple family with dependants
    - Couple family with children under 15 years
    - Couple family without children under 15 years, but with dependent students

  - Couple family without dependants
    - Couple family without dependants, but with children 15 years or older (ie non-dependent child)
    - Couple family without children

- One parent family
  - One parent family with dependants
    - One parent family with children under 15 years
    - One parent family without children under 15 years, but with dependent students

  - One parent family without dependants, but with children 15 years or older (ie non-dependent child)

- Other families

Father

A male parent with dependants and/or children. The relationship between a father and a child/dependant can be formed via a natural, adoptive, step, foster or child dependency relationship.

Hours worked

The number of hours actually worked during the reference week.

Household

One or more persons usually resident in the same private dwelling.

Husband/partner

A person in a couple relationship with another person usually resident in the same household. The couple relationship may be in either a registered or de facto marriage and includes same-sex couples. In an opposite sex couple, this is the male partner (ie husband). In a same-sex couple, it is the eldest partner (and can be female or male).

Jobless family

A jobless family is a family where no persons in the family aged 15 years or over are employed. This includes dependants and non-dependent children.

In a jobless family, all of the family members are either unemployed and/or not in the labour force.

Families that have no employed members but do have members that are classified as undetermined in the scope of the labour force survey, such as members of the permanent Australian defence force, are not included in the number of jobless families.

Lone parent family

See One Parent family.

Long-term job seekers

Refers to unemployed persons who have been actively seeking work for one year or more.

Mother

A female parent with dependants and/or children, or non-dependent children. The relationship between a mother and a child/dependant can be formed via a natural, adoptive, step, foster or child dependency relationship.

Non-dependent child

Non-dependent children are defined as children over the age of 15 years who are not studying full-time.

In order to be classified as a child, the person must have no partner or child of his/her own usually resident in the household. A separate family in the household is formed in this instance.

The types of parent-child relationships which can be formed are via a natural, adoptive, step, or foster relationship.

Dependency, as used in these classifications, refers to economic dependency and is only applied to the part of the population that can be described as 'children'.

The dependency criterion is based on the barriers to full time employment: age and student status. Essentially, once a child turns 15 years and becomes eligible to be included in the labour force, they lose their dependency status unless they are attending school or a tertiary educational institution full-time, are aged 15 to 24 years old and live in the same household as their parents/ guardian.

See Child.

Non-private dwelling

An establishment which provides a communal type of accommodation, such as a hotel, motel, hospital or other institution. Family data is not collected from non-private dwellings.

Not determined

Where a person has an unknown labour force status, or was a permanent member of the Australian defence force (out of scope for labour force survey).

One parent family

A family consisting of one parent with at least one dependant or non-dependent child (regardless of age) who is also usually resident in the family. This family type may or may not include other related individuals.

Opposite-sex couple

Two persons of the opposite sex who are in a couple relationship and are usually resident in the same household.

Other families

A family of related individuals residing in the same household. These individuals do not form a couple or parent-child relationship with any other person in the household and are

not relateded to any couple or one parent family in the household (if present).

If two brothers, for example, are living together and neither is a partner, a lone parent or a child to anyone else in the household, and neither is related to any person in the household who are in a couple or one-parent family (if present), then they are classified as an other family. However, if the two brothers share the household with the daughter of one of the brothers and her husband, then both brothers are included in the couple family and classified as other related individuals.

Private dwelling

A residential structure which is self-contained, owned or rented by the occupants, and intended solely for residential use. A private dwelling may be a flat, part of a house, or even a room, but can also be a house attached to, or rooms above shops or offices. Family data is only collected from private dwellings.

Relationship in household

The relationship of each person residing in the same household. This is typically in relation to the family reference person (previously referred to as the "head" of the family). The family reference person is typically a parent of children in the household or a husband/partner in a family formed around a couple relationship.

Same-sex couple

Two persons of the same sex who are in a couple relationship and are usually resident in the same household.

Short-term job seekers

Refers to unemployed persons who have been actively seeking work for less than 12 months.

Social marital status

Social marital status is the relationship status of an individual with reference to another person who is usually resident in the household. A marriage exists when two people live together as husband and wife, or partners, regardless of whether the marriage is formalised through registration. Individuals are, therefore, regarded as married if they are in a de facto marriage, or if they are living with the person to whom they are registered as married.

Tertiary education institution

A Technical and Further Education (TAFE) college, university, or other educational institution, excluding primary schools and secondary schools (i.e. High School).

Usual resident

A person who usually lives in that particular dwelling and regards it as their own or main home.

Wife/partner

A person in a couple relationship with another person usually resident in the same household. The couple relationship may be in either a registered or de facto marriage and includes same-sex couples. In an opposite sex couple, this is the female partner (ie wife). In a same-sex couple, it is the youngest partner (and can be male or female).

Related publications

ABS publications which may be of interest include:

- Microdata, Labour Force Status of Families, Australia (2009 to 2021) (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6224.0.00.001)
- Labour Force Status and other Characteristics of Families, Australia (1974 to 2000) (https://www.abs.gov.au/AUSSTATS/abs@.nsf /second+level+view?ReadForm&prodno=6224.0& viewtitle=Labour%20Force%20Status%20and%20other%20Characteristics%20of%20Fami lies,%20Australia~Jun%202000~Latest~21/11/2000&& tabname=Past%20Future%20Issues&prodno=6224.0&issue=Jun%202000&num=& view=&)
- Family Status and Employment Status of the Population (1974) (https://www.abs.gov.au /AUSSTATS/abs@.nsf/ProductsbyCatalogue /F926FA92D780E58ACA2585AA008276FA?OpenDocument)
- Information Paper: Improvements to Family Estimates from the Labour Force Survey (2008) (https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue /23AD4E1333DCC7F1CA2574C60012F830?OpenDocument)
- Labour Force, Australia (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0)
- Labour Force, Australia, Detailed (https://www.abs.gov.au/ausstats/abs@.nsf /mf/6291.0.55.001)
- Labour Statistics: Concepts, Sources and Methods (https://www.abs.gov.au/ausstats /abs@.nsf/mf/6102.0.55.001)
- Labour Force Survey Standard Products and Data Item Guide (https://www.abs.gov.au /ausstats/abs@.nsf/mf/6103.0)

Acknowledgement

ABS surveys draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much

appreciated: without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the Census and Statistics Act, 1905.

History of changes

Comparability with previous estimates

Care should be taken when comparing the latest estimates from this issue of the publication against earlier estimates published in previous issues. Estimates from previous issues have not been recompiled using the latest population and household benchmarks.

Improvements to family estimates

From October 2008, the method of producing family estimates from the LFS was improved to include the following:

- an expanded scope to include households containing permanent members of the defence forces;
- an increased range of families in the LFS sample contributing to the family estimates; and
- improvements to the weighting method by utilising independent population benchmarks (of people and households), ensuring the estimates more closely reflect the Australian population.

For more information, see the [Information Paper: Improvements to Family Estimates from the Labour Force Survey, 2008 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6224.0.55.002)](https://www.abs.gov.au/ausstats/abs@.nsf/mf/6224.0.55.002)